



June 28, 2013

Office of Environmental Information  
(Mail Code: 28221T)  
Docket #EPA-HQ-ORD-2013-0189  
U.S. Environmental Protection Agency  
1200 Pennsylvania Ave., N.W.  
Washington, DC 20460

Re: Docket ID No. EPA-HQ-ORD-2013-0189: Submittal of IHS Global Insight's report *The Economic and Employment Contributions of a Conceptual Pebble Mine to the Alaska and United States Economies*

Dear Sir or Madam:

On behalf of the Pebble Limited Partnership ("PLP"), I submit the attached IHS Global Insight report *The Economic and Employment Contributions of a Conceptual Pebble Mine to the Alaska and United States Economies*, as part of the comment record concerning the April 30, 2013 U.S. Environmental Protection Agency's ("EPA's") report entitled "An Assessment of Potential Mining Impacts on Salmon Ecosystems of Bristol Bay, Alaska (Second External Review Draft)" ("the Assessment"). The IHS Global Insight report was commissioned by the PLP to evaluate the economic impact in the state of Alaska associated with development of the Pebble copper deposit.

While presenting the economic benefits of the ecological resources in Bristol Bay (pages ES-9), the EPA makes no such valuation of any mining economic benefits. The Assessment states: "*These economic data provide background only. The economic effects of mining are not assessed*" (page ES-9). However, it does not justify the inclusion of benefit valuation of the ecological resources while excluding the benefit valuation of potential mining operations.

The Assessment does not include a valuation of direct benefits that a copper, gold and molybdenum mine could provide to the local area, such as employment, income, and purchases from and payments to local vendors, and benefits to Native Alaskans. Other assumptions regarding mining operations are made throughout the report, but no economic benefit assumptions are included. The report appears to dismiss this contradiction by stating: "*This assessment is not an environmental impact assessment, an economic or social cost-benefit analysis, or an assessment of any one specific mine proposal.*" This statement runs counter to the fact that the economic benefits of the ecological resources were indeed introduced, with no other potential benefits considered.

As such, the Assessment represents an incomplete assessment of the overall impacts. Some key findings of IHS Global Insight report are summarized below and should be considered as part of the EPA assessment.



## Key Findings of the IHS Global Insight Report

The IHS Global Insight study is based on a conceptual mine plan using an iteration of the ongoing engineering work undertaken by the Pebble Limited Partnership. The study estimated the state and national economic benefits associated with a five-year construction phase, followed by a 25-year production phase, and the potential for three subsequent 20-year development phases.

Some highlights from the economic study indicate the following:

- The potential for nearly 5,000 construction jobs and nearly 3,000 operating jobs in Alaska (combining direct, indirect and induced jobs)
- Pebble workers on-site could earn approximately \$109,500 per year on average, with about 75 percent of the workers expected to be Alaska residents.
- The potential for nearly 12,000 jobs in the Lower 48, providing goods and services to the project
- Annual taxes and royalties to Alaska of \$136 - \$180 million
- Annual taxes to the Lake and Peninsula Borough of \$29 - \$33 million
- An estimated operating budget of \$1 billion per year

This report indicates that Pebble is a substantial state asset, and could be an important economic driver long in to Alaska's future. For perspective, the report indicates Pebble development alone would pay more in annual taxes to the state than the entire fishing industry combined. At the local level, Pebble could provide a dramatic increase in potential revenues to the borough. This sort of project can create an economic transformation in a region that currently faces economic challenges, due largely to a serious lack of year-round jobs. This clearly shows that the Pebble development could be an important economic driver for Alaska's future. We hope that EPA will endeavor to address the omission of economic impacts in the current draft.

Under separate submittals, PLP has also provided scientific and technical reviews from experts with notable experience in the mining industry and in various relevant scientific disciplines; as well as a comment letter regarding EPA's stated changes to the second draft. These combined submittals contain important points that should be carefully considered before the Assessment is finalized.

Respectfully submitted,

John Shively  
Chief Executive Officer